

**State of Rhode Island and Providence Plantations
Public Utilities Commission**

Minutes of Open Meeting Held June 14, 2007

Attendees: Chairman Elia Germani, Commissioner Robert Holbrook, Commissioner Mary Bray, Steve Frias, Patricia Lucarelli, Alan Nault, Thomas Massaro, Douglas Hartley and Luly Massaro.

Commissioner Holbrook called the open meeting to order at 2:00 P.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present. Chairman Germani was not present to participate at the beginning of the open meeting.

Minutes of Open Meeting held on May 23, 2007: After review, Commissioner Holbrook moved to approve the minutes. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 2-0.

Competitive Telecommunications Service Providers

The following companies filed an application for authority to operate and provide telecommunications services. The Division has reviewed the applications and recommends approval of:

3844 – Neutral Tandem-Rhode Island, LLC

2262(Y20) – Silv Communications, Inc.

After review, the Commissioner Holbrook moved to approve the

applications. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 3-0.

The following companies submitted tariff revisions. The Division has reviewed the tariff filings and does not recommend suspension of:

2618 – AT&T Communications of NE, Inc. (tariff filings 5/22 & 6/1/07)

3597 – ACN Communication Services, Inc. (tariff filings 5/14 & 5/24/07)

2272(U20) – Optimum Global Communications (tariff filing 5/17/07)

2262(C8) – CTC Communications Corp. (tariff filing 5/31/07)

After review, the Commission followed the Division's recommendation that the tariff filings be allowed to go into effect without suspension.

The following companies ceased operations and requested that their registration for authority to operate be cancelled and rescinded:

3481 – American Long Lines, Inc.

2262(O7) – ASC Telecom, Inc.

2262(K5) – ALLTELL Communications, Inc.

After review, Commissioner Holbrook moved to rescind the registrations for authority to operate of the above companies. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 3-0.

Telecommunications Interconnection Agreements (ICAs) – The following ICA Amendments executed between the parties were submitted for approval. The Division has reviewed the ICA

Amendments and recommends approval of:

3857 – ICA Amendments between Verizon RI and Sprint Communications Co. (filed 5/10/0)

After review, Commissioner Holbrook moved to approve the ICA Amendments as submitted. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 3-0.

3845 – Verizon Rhode Island – The Commission reviewed Verizon's tariff filing to introduce FiOS Bundle Discount, a bundle discount for adding FiOS service to residential customers who subscribe to the Regional Essentials Package Service for effect June 26, 2007. The Division has reviewed the tariff filing and does not recommend suspension. After review, Commissioner Holbrook moved to follow the Division's recommendation. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 3-0.

3835 – Verizon Rhode Island – The Commission reviewed Verizon's tariff filing to increase residence rates for Custom Calling Services, Distinctive Ring Service, Phonesmart Services and ValuePack Service for effect June 16, 2007. The Division filed a memo indicating that it has reviewed Verizon's tariff filing and finds that it conforms to the requirements of Verizon's Successor Alternative Regulation Plan and Order No. 18550. After review, Commissioner Holbrook moved to approve Verizon's filing to increase discretionary services as submitted. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 3-0.

Renewable Energy Resources Generation Units – The following entities submitted Renewable Energy Resource certification applications for approval:

3801 – Portsmouth Abbey School - for its Generation Unit: Portsmouth Abbey Wind Turbine as new Wind Renewable Energy Resource.

3814-A - North Hartland, LLC - for its Generation Unit: North Hartland Hydroelectric Project as new Small Hydro Renewable Energy Resource

3814-B - North Hartland, LLC - for its Generation Unit: North Hartland Hydroelectric Project an existing Small Hydro Renewable Energy Resource

After review, Commissioner Holbrook moved to approve the certification applications as submitted. Commissioner Bray seconded the motion and the motion was unanimously passed. Vote 2-0.

3876 – Amendment to Rules and Regulations Governing the Implementation of a Renewable Energy Standard (RES) – Ms. Lucarelli summarized the travel of the docket and noting that the final draft of the rules incorporate comments of National Grid and clarification to existing language contained in Section 6.8(g)(3). After review, Chairman Germani moved to adopt the revised rules. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0. The rules will be filed with the

Secretary of State.

3790 – National Grid (NGrid) – The Commission reviewed NGrid's amended Gas Energy Efficiency Programs and found it to be in compliance with open meeting decision on May 23, 2007. Chairman Germani moved to approve NGrid's compliance filing as submitted. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0.

3569 – Rules Governing the Acceptance of Credit Card by Utility Companies – The Commission reviewed Providence Water Supply Board (PWSB) revised Tariff Schedule G - "Optional Telephone or Web Page Provision". PWSB maintains that the revised fee represents a negotiated new fee structure with the credit card vendor.

After review, Chairman Germani approved the PWSB's tariff. However, he believes the Commission should proceed with a new rulemaking and in the meantime, request for information should be made to the utilities regarding their views as to whether or not to accept credit card fees as part of their cost of service. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0.

3843 – Kent County Water Authority (KCWA) – The Commission reviewed KCWA's Motion to Pass Through Wholesale Rate Increase sought by the PWSB. The Division filed a recommendation to suspend KCWA's request pending the outcome and final decision in

the PWSB rate proceeding. After review, Commissioner Germani moved to accept the Division's recommendation and suspend KCWA's proposed tariffs until a decision is rendered in the PWSB proceeding. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0.

3800 – Woonsocket Water Division – Mr. Nault summarized the travel of the case, the position of the parties and the Amended Settlement Agreement of the parties on the rate application of the Woonsocket Water Division. After review, Chairman Germani moved to approve the Amended Settlement Agreement with modification to disallow \$7,000 of rate case expense; thereby, reducing rate case expense by \$3,500 in the rate year (due to two year amortization). This amount of \$3,500 shall be applied to IFR funding. Woonsocket Water is further directed to provide periodic reports regarding the progress of the plant every four months. The rates are approved effective July 1, 2007. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0. As approved, the Amended Settlement Agreement will provide Woonsocket Water with a cost of service in the amount of \$8,227,316 or an increase of 15.3% over current authorized levels.

3850 – Bruce Shaw d/b/a Shaw's Water Taxi – Shaw's Water Taxi filed with the Division, an application for water carrier authority and proposed rates. While the application is pending before the Division, the Division transmitted a letter together with the rates,

recommending approval of Shaw's proposed rates for discretionary water carrier service between Prudence Island and different points in Bristol, Portsmouth, Newport, Warwick and Wickford. Shaw's Water Taxi also requests for expedited approval of the rates under R.I.G.L. 39-3-12. After review, Chairman Germani moved to approve Shaw's Water Taxi proposed rates on an interim basis subject to further review and order. Commissioner Holbrook seconded the motion and the motion was unanimously passed. Vote 3-0. Shaw's Water Taxi is further directed to keep and maintain the approved rates in a conspicuous area of the boat.

The meeting adjourned at 3:30 P.M.